UNDERGROUND INJECTION CONTROL PERMIT APPLICATION

Ute Tribal # 10-03 600' FNL & 1650 FWL Sec. 10, T5S-R3W Duchesne County, Utah API # 43-013-31187

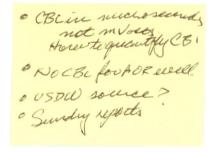
July 2015

Prepared for:
Bruce Suchomel
Groundwater Program, Mail Code 8P-W-UIC
U.S. Environmental Protection Agency
1595 Wynkoop St
Denver, CO 80202-1129

Prepared by:
Petroglyph Energy, INC.

960 Broadway Avenue, Suite 500, P.O. Box 70019
Boise, Idaho 83707
(208) 685-7600
FAX (208) 685-7605

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LIST OF ATTACHMENTS

Attachment No. 1 Area Topography Map Attachment No. 2 Site Map Attachment No. 3 Map of the A-Marker surface Attachment No. 4 Cross-Sections of the injection formation Attachment No. 5 Water Analysis Attachment No. 6 Completion data for all wells in the AOR Attachment No. 7 CBL for the UIC well Attachment No. 8 Open hole log for the UIC well Attachment No. 9 List of owners and Affidavit Notification Attachment No. 10 Well bore diagrams for the UIC well Attachment No. 11 P&A procedure Attachment No. 12 MIT procedure

Attachment No. 13 Surety Bond letter

SUMMARY DOCUMENT UIC WELL APPLICATION Ute Tribal 10-03 API # 43-013-31187

The following document contains information provided in support of the application for the conversion of the Ute Tribal 10-03 well to an injection well in the Green River formation in the Antelope Creek Field in Duchesne County, Utah.

The Antelope Creek Field falls within the Uintah and Ouray Indian reservations and is within Indian Country; therefore, for facilities located on the reservation, only EPA-issued UIC permits are necessary for compliance with UIC regulations.

The EPA has issued an Area Permit #UT20736-00000 for the Underground Injection Control for the Antelope Creek Field. This area permit allows for additional producing wells to be converted to injection wells for enhanced recovery.

(1) Petroglyph Energy, Inc. (Petroglyph) is the operator and only working interest owner of wells located in the Antelope creek Field, Duchesne County, Utah. Petroglyph's business address is provided below:

Petroglyph Energy, Inc. 960 Broadway Avenue, Suite 500 P.O. Box 70019 Boise, ID 83707

- (2) Enclosed as Attachment No. 1 is a topographic map of a portion of the Antelope Creek Field, identifying all wells located in this area. The legal location for the Ute Tribal 10-03 is 600' FNL & 1650 FWL NE/NW Sec. 10, T5S-R3W.
- (3) Attachment No. 2 is a map of the well. This map shows a circle with a ¼ mile radius centered on the Ute Tribal 10-03 well. The ¼ mile radius encompasses the area of review, AOR, within which Petroglyph is required to investigate all wells for mechanical integrity. The ¼ mile radius also identifies mineral ownership; all lands within the AOR are leased to Petroglyph by the Ute Tribe as indicated by yellow shading. The AOR has Ute Tribal 10-04 well(s) located in its ¼ mile radius.

- (4) Petroglyph proposes to utilize the Ute Tribal 10-03 as an injection well for enhanced recovery in the Antelope Creek Field.
- (5) Injection Zone The injection intervals are between 4106' and 6084' True Vertical Depth and located in the lower portion of the Green River Formation. The injection zone is confined within a 1978' section between the Green River "A" Lime marker bed and the top of the Basal Carbonate in the lower part of the formation. The injection zone is composed of lenticular calcareous sandstones interbedded with low permeable carbonates and calcareous shales. The lenticular sandstones vary in thickness from 1 to 30 feet.

Confining Zone – The overall confining strata above the injection zone consists of impermeable Green River calcareous shales and continuous beds of microcrystalline dolostone. The confining zone in the Ute Tribal 10-03 is 237 feet thick.

Attachment No. 3 is a structure map of the A-Marker surface.

Attachment No. 4 is a cross-section of the injection interval and confining zone.

(6) Enclosed as Attachment No. 5 are standard analyses of produced water from three batteries that currently serve as central handling facilities for all project producing wells. The analysis of the Green River formation water from the Ute Tribal 18-08 Satellite Battery is 12805 mg/L of total dissolved solids (TDS), Ute Tribal 21-11 Satellite Battery is 15659 mg/L TDS, and Ute Tribal 34-12-D3 Satellite Battery is 14590 mg/L TDS.

Injectate in the field is a mixture of produced water and fresh make-up water. The nearest injection well is the Ute Tribal 03-14, the most recent analysis of the water being injected into the Green River formation at this location is 6393 mg/L TDS. This analysis is also included in Attachment No. 5.

- (7) A summary of completion data from the Ute Tribal 10-03 and offset wells in the AOR are included in Attachment No. 6
- (8) The cement bond log is included in Attachment No. 7.
- (9) The open hole log for the Ute Tribal 10-03 is included in Attachment No. 8.

- (10) The Antelope Creek Field is operated under a Cooperative Plan of Development between the Ute Tribe and Petroglyph Energy. At the Ute Tribal 10-03 location, all mineral owners, surface owners and operators located within the AOR ¼ mile radius have been notified of the submitted EPA application to convert to injection. Attachment No. 9 is the Affidavit of Notification to all owners.
- (11) Petroglyph requests a maximum surface injection pressure of **1900**psi. The EPA Area Permit No. UT20736-00000 uses the formula:

Pm = (0.88psi/ft - 0.43psi/ft(Sg)) D

Where:

Pm = Maximum surface injection pressure
0.88psi/ft = Fracture gradient
D = Top perforation depth.
0.43psi/ft = Hydrostatic pressure/hydraulic head
Sg = Specific gravity of injection fluid

For the Ute Tribal 10-03:

1914psi = (0.88psi/ft - 0.43(1.00)) 4253ft

EPA Area Permit No. 20736-00000 further caps maximum surface pressure at 1900psi.

- (12) Three wellbore diagrams for the Ute Tribal 10-03 are in Attachment No. 10. One diagram is for production, one for injection, and one for Plug & Abandonment (P&A).
- (13) The P&A procedure for this well is shown in Attachment No. 11.
- (14) Once the draft permit is issued, Petroglyph will conduct a Mechanical Integrity Test and a static bottom-hole pressure test. The MIT procedure is contained in Attachment No. 12. The conversion work will be satisfactorily completed and submitted to the EPA on Form 7520-12. A wellbore schematic will be included with this form.

- (15) Petroglyph will give proof of financial responsibility by posting a surety bond for the UIC well prior to final permit approval. A copy of this letter is contained in Attachment No. 13.
- (16) Petroglyph will install various gauges on the well so that the injection pressure and tubing/casing annulus pressure can be monitored. The well will be equipped with a flow meter with a cumulative volume recorder.

Ute Tribal 10-03 Well History

Well History: Spud Well: 6/9/1987 Completed: 7/28/1987 First Production: 8/1/1987 Tops (KB): BMSW* Found at 973' Green River 1454' A Marker 4106'

X Marker 4599'

Douglas Creek 4748'

B Limestone 5148'

Castle Peak 5624'

Basal Carbonate 6084'

Perf History

7/21/1987

C09.1	5069' to 5078'			
C09.2	5089' to 5103'			
9/13/1990				
B05	4253' to 4260'			
B05	4266' to 4273'			
B06	4295' to 4301'			
B06	4316' to 4322'			
5/16/2012				
	5/16/2012			
B06	5/16/2012 4307' to 4310'			
B06 B11.1				
	4307' to 4310'			
B11.1	4307' to 4310' 4533' to 4543'			
B11.1 C03.1	4307' to 4310' 4533' to 4543' 4699' to 4704'			

Petroglyph Operating Co., Inc.
Ute Tribal #10-03
(600' FNL & 1650' FWL)
NE NW Section 10, 5S- 3W
Antelope Creek Field
Duchesne Co. Utah
API#: 43013311870000

*Plate 1 Utah Geological Survey Special Study 144. (2012). BMSW Elevation Contour Map, Uinta Basin, Utah. [map]. (CA 1:200,000) GL: 5963'

KB: 5973'

8 5/8" 24# Surface CSG @ 403' KB

cmt'd w/250 sx

Surface Hole size 12 1/4"

Cement top @ 2600'

5 1/2" 15.5# J-55 CSG @ 5631'

-cmt'd w/1300 sx

- Hole Size 7 7/8" bit

Perf's:

B05 4253' to 4260'

B05 4266' to 4273'

B06 4295' to 4301'

B06 4307' to 4310'

B06 4316' to 4322'

B11 4533' to 4543'

C03.1 4699' to 4704'

C06 4950' to 4957'

C09.1 5069' to 5078'

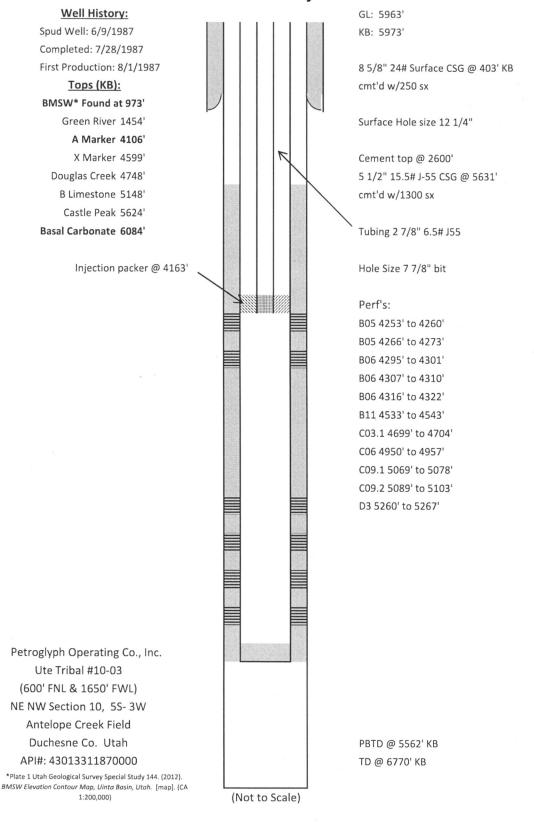
C09.2 5089' to 5103'

D3 5260' to 5267'

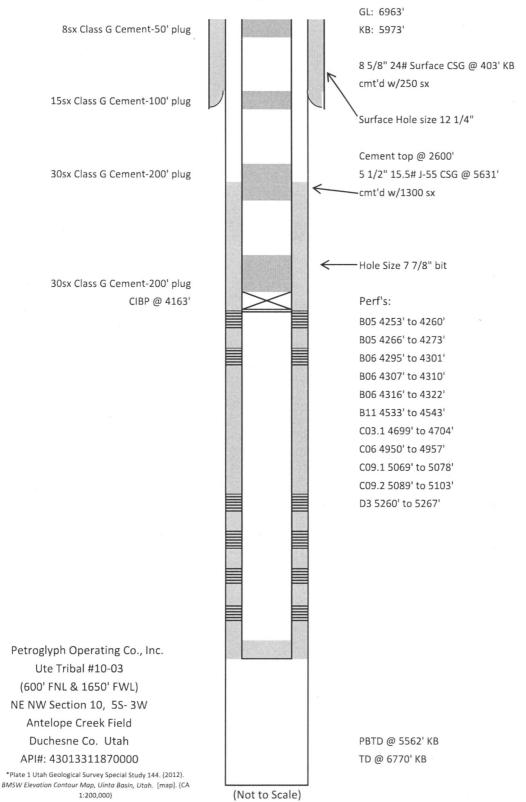
PBTD @ 5562' KB TD @ 6770' KB

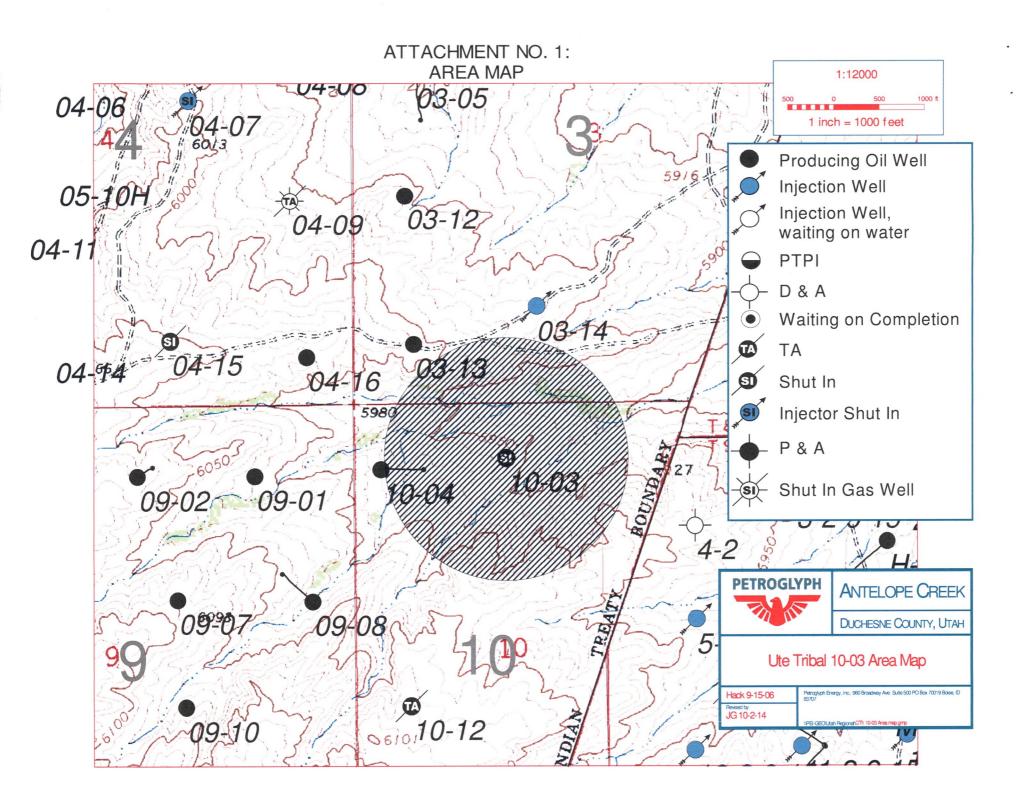
(Not to Scale)

Ute Tribal 10-03 Injection

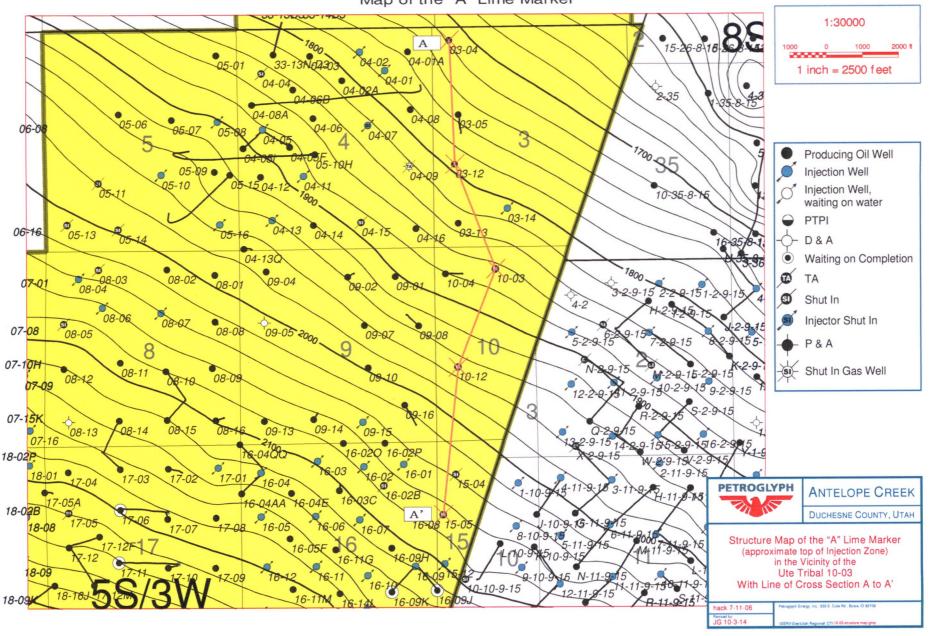


Ute Tribal 10-03 Plug and Abandonment





ATTACHMENT NO. 3: Map of the "A" Lime Marker



Structural Cross Section A to A' in the Vicinity of Ute Tribal 10-03 43013318910000 43013311870000 4020 ft 3065 ft 2863 ft + Ø + PETROGLYPH OPERATING COMPANY INC Ute Tribal 10-12 Ute Tribal 15-05 Ute Tribal 03-04 Ute Tribal 03-12 1979 FNL/997 FEL 600 FNL 1650 FWL 2001 FSL 600 FWL 360 FNL/460 FWL 2272 FSL 575 FWL TWP: 5 S - Range: 3 W - Sec. 15 TWP: 5 S - Range: 3 W - Sec. 3 TWP: 5 S - Range: 3 W - Sec. 10 TWP: 5 S - Range: 3 W - Sec. 10 TWP: 5 S - Range: 3 W - Sec. 3 2500 2500 2000 2000 يعقيانه ويوافي بدالله الموارس موافق والأوافية والمحدودة المستريقة والمدرية فيرسديه مدرسه والمراقيل والمالي والالإفاق الإمالية 1500 1500 ويوعله والماعي المراب المحمد والماري ومحمول المروحة والماء والمحمد والمسال ومعادي مسروه والمارا إلا المادية والموارات المراجة إلى المادية والموارات المراجة والمراجة 1000 1000 الملحمالا المهدمة أسد دويد يحدد ومدمد ومديد منطال إلك فاللايدانية 500 500 = Walling M. A. Markey Application of the property of -500 -500 TD=6473.00 TD=6770.00

Maximum Allowable Injection Pressure (MAIP) From Fracture Gradient

Date: 09/04/2015	Operator:	Petroglyph		
	- Well:	Ute Tribal 10		
	Permit #:			
Enter the fo	ollowing valu	ues:		
Specific Gravity of injectate =	_	1.010	g/cc	
Depth to top of injection interva	ı/ =	4,106	feet	
Fracture Gradient (FG) =		0.880		

(rounded down to nearest 5 psig)

where:

 $MSIP = [FG - (0.433 * SG)]^*_{C_i}$ Depth to top of injection interval = 1817.603



- Technical Review Worksheet

Permit No: <u>UT2</u>

. Well: <u>UT 10-03</u>

What Needs to be Done	Information Sources	Review & Evaluation Notes
Determine name, top and base of the confining zone(s) and the injection zone(s).	☐ Geologic data submitted☐ Well logs from area	Conf Zone: top 3869 base 4106
, , , , , , , , , , , , , , , , , , , ,	☐ Published articles	Inj Zone: top 4106 base 6084 (Garden Gulch 2-Marker) (top Wasatch)
Determine name, top and base of all USDWs. List base of lowermost USDW: Determine which USDWs are actually being used for water supply.	☐ Geologic data submitted ☐ nearby Water analyses ☐ nearby Well logs ☐ Water supply wells ☐ Published articles	Surface Elevation: GL: 5963; KB - 5973 Pub #92 base USDW: bgs: elev: submitted base USDW bgs: 973 elev: base of Uinta / top Green River: /454
Review and evaluate construction, casing and cementing records of proposed well.	☐ Data submitted ☐ Completion/workover reports ☐ Contractor invoices ☐ Logs: CBL, RTS, Temp, casing inspection, etc.	TD: 6770 KB PBTD: 5562 KB surface csg $85/24#$ ft $0-403'$ s long strg csg $5/2'/5.5#$ ft $0-5631$ s TOC: submitted: 7600 CBL:
		Wells in AOR: TD TOC (
Review and evaluate construction, casing and cementing records of AOR wells that penetrate injection zone.		
Review P&A plan for effective USDW protection, injection zone isolation and well closure.	□ P&A plan □ Area geology	plug depths:
Review amount of FR - is it adequate to cover P&A costs of proposed in P&A plan?	☐ contractor bids / P&A cost histories ☐ nearby well P&A costs	FR instrument: Amount: \$
Calculate the maximum allowable injection pressure (MAIP).	☐ Fracture treatments ☐ Step Rate Test results ☐ Fracture gradient	top perforation: 4253 bottom perforation: 5267
		injectate specific gravity: 1.01 Frac Gradient: 288 p
Determine which logs and tests will be performed.		